

FISCAL

1. Develop departmental control systems to segregate vendor invoices by FY and ensure that payments are charged to the correct budget FY encumbrances.
2. Federal Grants: All federal drawdowns occurring after July 9th will be reported in MMARS as FY89 revenue. If a portion of this cash drawdown is required to support FY88 encumbrances, 2 Cash Receipts (CR's) need to be processed. For further instructions, please see the Closing Manual, pg.6, section 1.

Departments that have expired federal grants and wish to return these funds should contact Kathy Still at the Office of the Comptroller.

3. Special advances required for Opening FY89 must be entered by June 29th. Routine advances for FY89 business may be entered and received at CTR in late June, but will reject until the general appropriation act is loaded and funds are allotted.

NOTE: FY89 advances will not be approved until FY88 advances are accounted for.

4. In preparing FY 88 Accounts Payable transactions it is recommended that Departments use a numbering system that will denote the fiscal year and also not repeat the Julian date (we suggest you add 500 onto the Julian date). This is to avoid duplicate document numbers.
5. Allocation accounts within a department should not be established when the use of Organizational Codes, or Expense Budgeting may be more appropriate.
6. Review all intragovernmental business to ensure that (1) legal documents are in place and (2) proper MMARS transaction (TA, AC, IV, or EX) is being used, after consultation with the CTR Accounting Bureau.

PAYROLL

1. PMIS Payroll:

- o Review your accounts listed on PMIS, and if there are any additions or changes in account numbers due to the general appropriation act, please contact DPA to properly adjust the PMIS position file.
- o Review your department's position classification summary and if positions are charged to appropriations that your department does not have in FY89, then you must track which account should have been charged and do weekly EX's to adjust the accounts accordingly.
- o 03 Weekly Payroll: SC must be approved and accepted in MMARS and PMIS before an individual can be paid.

2. Monthly Payroll:

- o To establish your MMARS 03 Monthly payrolls for FY89, Openorder SC's need to be set up with the following numbering scheme:

SC (C + last 6 digits of approp.)

trans dept payorg. i.d. number

- 3. Payroll Rejects: PR transactions that have been posted to payroll default accounts should be processed within five days. Be sure to check your suspense file (SUSF) and process these PR's that are in REJECT status.

NOTE: PR Transactions are created and posted to payroll default accounts whenever a payroll expenditure is unable to update a designated appropriation account. This may occur for a variety of reasons (expense budget problems, positions not aligned with appropriation, etc.) PR Transactions appear on the weekly Unprocessed Transaction report (RPT 335A) and should be corrected and processed within 5 days. Please refer to MMARS #48 for a detailed discussion.

NOTE: Until all PR's are corrected the uncommitted and unexpended balances displayed on APR2 will be overstated and the expended amount will be understated. It is critical that departments planning future encumbrances begin this process with up to date information.

GENERAL

1. Assess whether your department's needs for operation, information, etc. are being met by the current Chart of Accounts structure. If not, review, add, or change departmental organizational structure and enter all changes in the FY89 tables. If you are unclear about how to do the ORGN changes, please contact your Implementation Coordinator for assistance.
2. If your department has elected to utilize the Expense Budget function in MMARS, it may be necessary to review the Chart of Accounts to satisfy the expense budget option chosen by your department. The Labor Distribution System is also required when using expense budgets, unless a default expense budget is set up for the Payroll Org. Meet with departmental managers to explain the expected benefits of the expense budgets. If you have further questions, please contact your Implementation Coordinator.
3. Review standard operating procedures and internal controls to see if they meet your department's needs and the Office of the Comptroller's Policies and Procedures.
4. **REMEMBER: The prompt payment bill (Chapter 611) requires departments to pay late penalty interest on invoices that are not paid within 45 days.**

NOTE: Checklist is meant to enhance, not replace, the Opening Instruction Booklet

**FY88
CLOSING
CHECKLIST**

BUDGET

1. TS: Last date is 03/31/88 when TS is prerequisite to RX,DS and DR. This means that the TS transactions must be in DONE status by 03/31/88 because RX transactions must be in DONE status by 04/01/88 and DR and DS transactions must be in Pend 4 status not later than 04/15/88.
2. Deadline for completing all routine budget transactions is 05/31/88. This includes AA,AC,AL,TA transactions and ASTA updates. Also included are TS transactions that are not prerequisites to RX,DR and DS.
3. Check ASTA records. (Don't assume)
Check FY88 ASTA records of all continuing accounts, by the end of May, to ensure that the Multi-year indicator (MY) is " Y " and the end date is greater than 06/30/88.
 - o Be sure to review any Parent-Child relationship.
 - o Pay special attention to Capital Appropriations from Bond funds.
4. Parent departments are urged to process any decreasing AC transactions during the same fiscal year in which the original allocation transaction was processed. Attempts to reduce FY88 allocated out amounts during a future fiscal year will encounter error messages.
5. The ASTA records of accounts that are PAC'd and the subsequent balance forward will be adjusted only after the legislation is signed.
6. The only appropriations from which FY88 encumbrances can be established after July 1st are the supplemental/deficiency appropriations.
7. Special attention should be given to federal drawdowns that occur after July 9th. In order for FY89 revenue to be moved back to FY88 to support encumbrances, the department will be required to complete 2 CR transactions with coding information as shown below:

CR #1	ACCOUNTING PERIOD = 01 89 BUDGET FISCAL YEAR = 88
CR #2	ACCOUNTING PERIOD = 01 89 BUDGET FISCAL YEAR = 89

(For detailed information on this process consult the Closing manual.)

ENCUMBRANCES

1. Review contract balances on OSCH, OSCL and lease order balances on OLOH, OLOL to ensure that there are sufficient funds to meet expenses that will be incurred during the remainder of FY88 and the accounts payable period for FY88.
2. Pre-encumbrances: Review and convert where applicable.
 - * Last date for submitting RX to PAD is 04/01/88.
 - * Last date for submitting DR and DS to MIS is 04/15/88.
 - * Last date for submitting SR is 06/15/88.

ALL pre-encumbrances will lapse on 06/30/88.
3. Encumbrances: Review and modify where applicable.
 - * Order forms for data processing equipment purchases must be submitted to MIS by 05/13/88.
 - * Goods ordered on PD and PG must be RECEIVED on or before 07/31/88.
 - * All "old" transactions on the suspense file should be resolved or deleted by 05/15/88. Only final adjustment activity should occur in May and June.
4. Approved Multi Year and Cross Fiscal Year Contracts:
 - 1.) To automatically create an approved Multi Year contract in FY89 departments must submit a FY88 SM with an out year obligation line. This SM must be in a done status prior to the approved Multi Year contract roll on 06/16/88.
 - 2.) On 05/14/88, shells will be created for all contracts that do not have an out year obligation line. If you want that contract to roll as an approved SC, delete these shells on the suspense file and submit an SM with an out year obligation line.
 - 3.) To avoid having an SR or SC shell created in the SR/SC shell roll, submit an SM with an out year obligation line by 04/30/88.
5. Remember: All A/P payments must reference an encumbrance, including IV's which must reference an intragovernmental PO. This applies to all account types: 01, 02, 03 and 04.
6. Pend 5 approval will be required on ALL encumbrance transactions processed after 06/16/88. Only properly documented emergency transactions will be considered for approval after this date. Departments should expect that most requests will not be approved.
7. FY 88 Encumbrances cannot be created or increased after 06/30/88, unless they are part of a late supplemental.
8. Encumbrance management: Have you overcommitted? How many OPENORDER PO's does your department have over \$10,000.00? Have you under committed? There are accounts with large uncommitted balances that do not make sense.

PAYROLL

1. Review anticipated expenditures in the 01 and 02 subsidiaries for payrolls. Is there enough money to cover 01 and 02 payrolls for the last FY88 pay period.
(See #7 below)
2. Review SC transactions that support 03 payrolls. Is there enough money to cover 03 payrolls for the last FY88 pay period.
(See #7 below)
3. Payroll hold (PH) transactions must be in place to support A/P payrolls. Departments will enter these transactions and forward to the Comptroller's for Pend 5 approval. PR transactions will update APR2.
4. Payroll Reject (PR) transactions that have been posted to payroll default account should be processed by 05/30/88. Be sure to check your suspense file (SUSF) and process the PR transactions that are in REJECT status.

NOTE: Until all PR's are corrected the uncommitted and unexpended balances displayed on APR2 will be overstated and the expended amount will be understated. It is critical that departments planning encumbrances for anticipated accounts payable payroll expenditures begin this process with up to date information.

5. There will not be an Accounts payable payroll for 03's. PV's will need to be used to pay people who are on the 03 payroll if there is a need for Accounts Payable expenditures.
6. Departments are encouraged to adjust and correct all Payroll negative balances no later than 06/15/88.
7. Payroll Matrix:

LAST FY88 PAY PERIODS

	BEGIN DATE *****	END DATE *****
01 PMIS	06/19	06/25
01 ADVANCE	06/19	06/25
01 MONTHLY	06/01	06/30
03 PMIS	06/27	06/30
03 ADVANCE	06/27	06/30
03 MONTHLY	06/01	06/30

FISCAL

ADVANCES:

1. The last day for CTR to receive a FY88 advance (RA) is 05/27/88. The documentation for this must be received by the Comptrollers by June 6th. Please ensure that sufficient funds are available to cover advance requirements (payrolls, travel, etc) through 06/30/88.
2. Expenditures of advance (EA) transactions should be current on 05/15/88 (check OPAT and Rpt. 690A). Expenditures made during June should be the only EA's entered in June. These June EA transactions should be processed on a weekly basis. Departments may enter their final FY88 EA's up to July 3rd, 1988.

NOTE: Check bank account to assure they are reconciled. The most frequent explanation for late EA's is that the department did not balance their checking account. Partial EA's are better than no EA's.

3. The last date to return the unused portion of your FY88 advances is 07/03/88. This should be processed on an AR transaction with the proper 10 digit receipt account number and the check should be attached. Remember: A copy of the AR and a copy of the check should be to the Comptrollers no later than July 3rd.

NOTE: FY89 advances will NOT be approved until FY88 advances are accounted for.

REVENUE:

1. It is crucial that departments reconcile revenues received during FY88 in order to close the books successfully. Again, departments should be current by 06/01/88 and should only have to report June revenue during the month of June. The following reports will be of assistance in reconciling revenue.

CR/RF/TR Transactions (Rpt 466A and Rpt 466C)
ER/CB/TR Transactions (Rpt 467B)
AR/TR Transactions (Rpt 468A)

2. Revenue Matrix: FY88 Deadlines

	RECEIVED BY TREASURER *****	ENTERED INTO MMARS *****
CR	07/01	07/06
RF (TYPE 1)	N/A	06/27
RF (TYPE 2)	07/06	07/06
CB	07/06	07/06

(FISCAL CONT.)

INTRAGOVERNMENTAL BUSINESS:

1. Buyer departments should be current in processing their IV's through their April billing by 06/15/88 and ensure that the IV PO encumbrances are in place for anticipated charges for May and June. IV's are similar to PV's in that they can be processed through the accounts payable period.
2. Seller departments should bill for all goods/services rendered through 05/31/88 by 06/15/88. Charges for goods/services rendered through 06/30/88 should be issued not later than 07/15/88.

NOTE: CTR will issue IV's for the single audit, unemployment compensation and the department's share of medicare expenses.

NEGATIVE BALANCES:

The fiscal year cannot be closed when negative balances exist in the appropriation files. Refer to APR1, APR2, ASUM and Rpt 500A to determine negative posting and take appropriate steps to correct. Secretariats have been requested to assist in this procedure and are receiving a weekly report (380A) of departments within their secretariat that have negative balances. Departments should refer to the attached chart to find the most common causes and recommendations for clearing negative balances.

GENERAL

1. Meetings, training, preparation, etc.

There are several important communications to department MMARS Liaisons concerning FY88 Closing and FY89 Opening procedures. Review intra-departmental communication structure to ensure that all fiscal, payroll, contract, budget, etc. personnel are informed.

Attend Closing, Opening and GAAP training's.
Hold implementation meetings to discuss this checklist and other communications during the month of May and June.

2. GAAP: Complete GAAP forms, review and update as necessary by due dates listed in the closing instructions. (More to follow in June).

3. Suspense file management: All FY88 rejected and Pend 5 transactions on the suspense file should be cleared by May 15, 1988 and daily thereafter through June 30, 1988.

4. Special updates to the Closing are planned to be issued on a timed basis. Keep your original Closing book and all updates together, (a 3 ring binder is suggested), so that you have all relevant information in one place.

Planned updates include:

- a special CR-TR project (revenue)
- a special CTR (Pend 5) June 16th memo
- a special memo for departments which have supplemental appropriations
- a special "Did you forget to encumber" memo
- announcement of SAO on site observation of encumbrance management, advance management, cash/revenue management.
- a special GAAP memo
- a special FAD memo about the new Accounts Payable Encumbrance Table (APEN).

5. **REMEMBER: Accounts payable will end on August 31st.**
Only encumbrances that are specifically approved by the Budget Bureau will be extended to September 30.

NOTE: Checklist is meant to enhance, not replace, the Closing Instruction Booklet.

CORRECTING THE MOST COMMON NEGATIVE BALANCES

CAUSE

CORRECTIVE ACTION

UNCOMMITTED BALANCE

UNEXPENDED BALANCE

PAYROLL PROCESSING

- (1) TS
- (2) AA OR AC TO INCREASE ESTIMATED RECEIPTS (04)
- (3) IV OR CR TO INCREASE CASH RECEIPTS (03)
- (4) EX (ERROR CORRECTION ONLY)

- (1) AL
- (2) TS (ALLOTTED)
- (3) IV OR CR (03)
- (4) CR (04)
- (5) EX (ERROR CORRECTION ONLY)

PAYROLL REJECTS (DEFAULT ACCOUNT)

- (1) PR (ACCESS VIA SUSF, CORRECT)

- (1) PR (ACCESS VIA SUSF, CORRECT)

PLANNED SAVINGS

- (1) DECREASE PRE-ENCUMBRANCE(S) AND/OR ENCUMBRANCE(S)
- (2) AR, THEN DECREASE PRE-ENCUMBRANCE(S), ENCUMBRANCE(S)
- (3) TS

- (1) TS (ALLOTTED)

FRINGE/INDIRECT

- (1) AA OR AC TO INCREASE ESTIMATED RECEIPTS (04)
- (2) IV OR CR TO INCREASE CASH RECEIPTS (03)

- (1) IV OR CR TO INCREASE CASH RECEIPTS (03)
- (2) CR TO INCREASE CASH RECEIPTS (04)

CHARGES AGAINST UNPROCESSED IV'S

- (1) TS
- (2) DECREASE PRE-ENCUMBRANCE(S) AND/OR ENCUMBRANCE(S)
- (3) AR, THEN DECREASE PRE-ENCUMBRANCE(S), ENCUMBRANCE(S)
- (4) AA OR AC TO INCREASE ESTIMATED RECEIPTS (04)
- (5) IV OR CR TO INCREASE CASH RECEIPTS (03)

- (1) AL
- (2) TS (ALLOTTED)
- (3) IV OR CR TO INCREASE CASH RECEIPTS (03)
- (4) CR TO INCREASE CASH RECEIPTS (04)

**FY89
OPENING
CHECKLIST**

BUDGET

1. Review and verify that departmental FY88 ASTA tables were rolled into FY89. This roll is scheduled for 5/13/88.
 - o APR1 and APR2 files for appropriation types 02 and 03 are scheduled to be created during the nightly cycle on 05/13/88.
 - o APR1 and APR2 files for appropriation types 01 and 04 are scheduled to be created when House 1 is loaded on 05/14/88.
2. Check your balance forward amounts on continuing accounts to make sure they are correct. The balance forward program will begin on July 11th and will run daily thereafter through the Accounts Payable period.
3. Check subsidiaries to ensure that they are aligned with approved FY89 spending plans. Discrepancies should be discussed with your budget analyst at soon as possible.
4. Will there be a department alpha change or addition? Will multiple FY88 accounts be consolidated in FY89? Will account numbers change from FY88 to FY89? If any of the above changes will occur, departments should contact their Implementation Coordinator.
5. Please coordinate with Debbie Reynolds of the CTR Department Assistance Bureau to continue encumbrances in expired capital accounts (Type 02) when it is anticipated that invoices will not be received until after the end of the FY88 Accounts Payable period.

ENCUMBRANCES

1. Early Opening: Please take advantage of the early opening of FY89. This means departments can and should encumber prior to the beginning of the fiscal year. Please see the schedule of events below:

5/13 Roll Reference Tables

5/13 Roll ASTA Tables

5/13 Roll APR1/APR2 Tables for Type 02 and 03 accounts

5/14 Load House 1 creating APR1/APR2 Tables for Type 01 and 04 accounts

NOTE: Departments who utilize the Expense Budget option in MMARS must have their Expense Budgets in place prior to pre-encumbering/encumbering for FY89. Please check the Fund/Department Table (FDEP) to ensure that proper controls have been set.

2. SR/SC/LO shells:

FY 89 SR/SC/LO shells created by the shell roll will be in reject status in your suspense file. To bring SC's/LO's into a Pend5 status, the SR/SC/LO shells should be completed with the following information:

- 1) ready payment fields (if applicable)
- 2) dates of service/ terms of agreement
- 3) # of units
- 4) rate
- 5) dollar amount

NOTE: Proper documentation must be forward with the SR/SC/LO to CTR for approval. Review MMARS #76 for documentation requirements.

NOTE: Tax Exempt Leases Purchases (TELP)-An LO with object code 737 will not roll unless it is a TELP agreement, in which case CTR will correct, bring to Pend5, and approve.

3. SC approved contracts:

As a result of the roll of approved vendor specific Service Contracts for cross fiscal and multi-year contracts scheduled for 6/16/88, approved FY89 SC's will be in MMARS without further documentation required by departments. Check OSCH/OSCL to verify the accuracy and completeness of these transactions.

NOTE: See MMARS #80

4. Plan early for large purchases that you will be making in FY89. Requisitions may also be submitted in May and June to the Purchasing Agent's Division (PAD) for items to be ordered in FY89. Contact PAD for specific instructions.